

**Contract Number 151473**



**AMENDMENT TO  
STATE OF OREGON  
PERSONAL/PROFESSIONAL SERVICES CONTRACT**

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This is amendment number 3 to Contract Number 151473 between the State of Oregon, acting by and through its Oregon Health Authority, hereinafter referred to as "OHA" and

**APS Healthcare Quality Review, Inc.  
abn KEPRO, Inc.  
777 East Park Drive  
Harrisburg, PA 17111  
Telephone: (717) 564-8288 Ext. 7026  
E-mail address: [jdougher@kepro.com](mailto:jdougher@kepro.com)  
[www.kepro.com](http://www.kepro.com)**

hereinafter referred to as "Contractor."

1. This amendment shall become effective on the date this amendment has been fully executed by every party and, when required, approved by Department of Justice.
2. The Contract is hereby amended as follows:
  - a. Exhibit A, Part 1 Definitions is amended as follows: a new definition is added following definition #56. as follows:

**"56.1 "Recipient"** means an OHP member receiving home or community-based services whether the member is an FFS Client, or enrolled in a CCO and also receiving FFS services."

- b. **Exhibit A, Part 2 - Statement of Work, Section 4. Comprehensive Care Coordination** is amended as follows: language to be deleted or replaced is ~~struck through~~; new language is **underlined and bold**:

**"4. Comprehensive Care Coordination.**

- a. Contractor shall provide professional, comprehensive, Care Coordination management to OHA.
- b. Contractor shall consult with OHA when requested and shall make recommendations on Care Coordination for FFS Clients.
- c. Contractor shall evaluate and provide input on current Care Coordination practices and identify improvement opportunities to benefit FFS Clients.
- d. Contractor shall collaborate with OHA and other OHA contractors to develop and facilitate opportunities to meet mutual Care Coordination goals.
- e. ~~Contractor shall commence, no later than September 1st, 2016, Evaluations for Prior Authorization (PA) of Services for the FFS population as follows. Contractor is not required to complete out of state provider, transplant or out of hospital birth PA's. OHA will complete all work relevant to those PA types.~~

e. **Prior Authorization and Claim Re-evaluation.**

**Contractor shall conduct prior authorization and claim re-evaluation services only for the programs and member benefit groups as follows:**

- **Prior Authorization of behavioral health services provided to members residing in OHA licensed residential treatment programs as described in Section 7d. (Medical Appropriateness Review services); and**
- **Re-evaluation of claims for emergency medical services covered through the Citizen Alien Waived Emergent Medical (CAWEM) benefit.**

**Contractor shall complete prior authorization and claim re-evaluation work as follows:**

- (1) Complete evaluations and PAs according to appropriate Oregon Administrative Rules (OAR).
- (2) Complete evaluations and PA's in accordance with Health Evidence Review Commission's Prioritized List per OAR.
- (3) Complete processing of PAs for the Electronic Document Management System's (EDMS) load time as follows:
- (4) Immediate Requests will be completed within 24 hours of receipt. (Important: Emergency services do not require PA)
- (5) Urgent Requests will be completed within 72 hours of receipt

- (6) Routine Requests will be completed within 10 business days of receipt.
- (7) Complete PAs using OHA's Medicaid Management Information System (MMIS) PA subsystem. Document decisions and clinical judgment within this system.
- (8) Implement process for individual case referral from Utilization Management (UM) to Case Management (CM) for comprehensive care coordination of potential cases identified through PA requests.
- (9) Work with OHA to develop necessary reports to share on file sharing system (see section 13) that will include at a minimum number of PA's received, type of PA, number approved, number pending, number denied, number of PA's handled by reviewer, and number referred for Medical Management review.
- (10) Ensure that staff conducting PA evaluations have adequate knowledge of the Oregon Administrative Rules and Prioritized List of Health Services including amendments and changes that are routinely made."

c. **Exhibit A, Part 3 – Payment and Financial Reporting** is hereby amended as set forth in the attached **Attachment 1**, which is hereby incorporated by reference, language to be deleted or replaced is ~~struck through~~; new language is **underlined and bold**.

3. Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to Contractor and the Contract. OHA's performance under the Contract is conditioned upon Contractor's compliance with the obligations of contractors under ORS 279B.220, 279B.230 and 279B.235, which are incorporated by reference herein.
4. Except as expressly amended above, all other terms and conditions of the initial Contract and any previous amendments are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the initial Contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.
5. **Certification.** Without limiting the generality of the foregoing, by signature on this Contract Amendment, the undersigned hereby certifies under penalty of perjury that:
  - a. Contractor is in compliance with all insurance requirements in Exhibit C of the original Contract and notwithstanding any provision to the contrary, Contractor shall deliver to the OHA Contract Administrator (see page 1 of the original Contract) the required Certificate(s) of Insurance for any extension of the insurance coverage required by Exhibit C of the original Contract, within 30 days of execution of the Contract Amendment. By certifying compliance with all insurance as required by this Contract, Contractor acknowledges it may be found in breach of the Contract for failure to obtain required insurance. Contractor may also be in breach of the Contract for failure to provide Certificate(s) of Insurance

as required and to maintain required coverage for the duration of the Contract;

- b. Contractor acknowledges that the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any "claim" (as defined by ORS 180.750) that is made by (or caused by) the Contractor and that pertains to this Contract or to the project for which the Contract work is being performed. Contractor certifies that no claim described in the previous sentence is or will be a "false claim" (as defined by ORS 180.750) or an act prohibited by ORS 180.755. Contractor further acknowledges that in addition to the remedies under this Contract, if it makes (or causes to be made) a false claim or performs (or causes to be performed) an act prohibited under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against the Contractor;
- c. The undersigned is authorized to act on behalf of Contractor and represents and warrants that Contractor has complied with the tax laws of the State of Oregon and the applicable tax laws of any political subdivision of Oregon. Contractor shall, throughout the duration of this Contract and any extensions, comply with all tax laws of Oregon and all applicable tax laws of any political subdivision of Oregon. For the purposes of this Section, "tax laws" includes: (i) All tax laws of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) Any tax provisions imposed by a political subdivision of Oregon that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of Oregon that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor acknowledges that the Oregon Department of Administrative Services will report this Contract to the Oregon Department of Revenue. The Oregon Department of Revenue may take any and all actions permitted by law relative to the collection of taxes due to the State of Oregon or a political subdivision, including (i) garnishing the Contractor's compensation under this Contract or (ii) exercising a right of setoff against Contractor's compensation under this Contract for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the Oregon Department of Revenue collects debts;

- d. The information shown in "Contractor Data and Certification", of original Contract or as amended is Contractor's true, accurate and correct information;
- e. To the best of the undersigned's knowledge, Contractor has not discriminated against and will not discriminate against minority, women or emerging small business enterprises certified under ORS 200.055 in obtaining any required subcontracts;
- f. Contractor and Contractor's employees and agents are not included on the list titled "Specially Designated Nationals" maintained by the Office of Foreign

Assets Control of the United States Department of the Treasury and currently found at: <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>;

- g. Contractor is not listed on the non-procurement portion of the General Service Administration's "List of Parties Excluded from Federal procurement or Non-procurement Programs" found at: <https://www.sam.gov/portal/public/SAM/>;
- h. Contractor is not subject to backup withholding because:


  - (1) Contractor is exempt from backup withholding;
  - (2) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends; or
  - (3) The IRS has notified Contractor that Contractor is no longer subject to backup withholding; and
- i. Contractor hereby certifies that the FEIN or SSN provided to OHA is true and accurate. If this information changes, Contractor is also required to provide OHA with the new FEIN or SSN within 10 days.

6. Signatures.

**CONTRACTOR: YOU WILL NOT BE PAID FOR SERVICES RENDERED PRIOR TO NECESSARY STATE APPROVALS.**

**APS Healthcare Quality Review, Inc.**

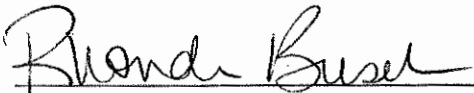
**By:**


  
\_\_\_\_\_  
Authorized Signature  
\_\_\_\_\_  
President & CEO  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Joseph A. Dougher  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
May 30, 2018  
\_\_\_\_\_  
Date

**State of Oregon, acting by and through its Oregon Health Authority**

**By:**

  
\_\_\_\_\_  
Authorized Signature  
\_\_\_\_\_  
Provider Services Director  
\_\_\_\_\_  
Title

  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
6-1-18  
\_\_\_\_\_  
Date

**Approved for Legal Sufficiency:**

*Exempt per OAR 137-045-0050(2)*

\_\_\_\_\_  
Authorized Signature  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
Date

**OHA Program Review:**

Via email by

*Chad D. Scott, Qualified Clinical Reviewer & Program Coordinator*

*Rhonda Busek, Provider Services Director*

\_\_\_\_\_  
Authorized Signature  
\_\_\_\_\_  
See titles above  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Chad D. Scott & Rhonda Busek  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
5/24/2018  
\_\_\_\_\_  
Date

**ATTACHMENT 1:**  
**Amendments to Exhibit A, Part 3 – Payment and Financial Reporting**

**EXHIBIT A**

**Part 3**  
**Payment and Financial Reporting**

**1. Invoicing.**

- a. Contractor shall send all invoices to OHA's Contract Administrator at the address specified on page one of this Contract, or to any other address or designee as OHA may indicate in writing to Contractor.
- b. Contractor shall submit to the OHA Contract Administrator by the 15<sup>th</sup> of each month an invoice for contracted services rendered the previous month. The monthly invoice shall be accompanied with reports in a mutually agreed upon format, that detail eligibility counts to substantiate the billing amount
- c. Invoices shall include the total amount invoiced to date by the Contractor prior to current invoice. Contractor will note in the appropriate invoice when one-third and two-thirds of the maximum not-to-exceed amount is reached.

**2. Travel and Other Expenses.**

OHA will not reimburse Contractor for any travel or additional expenses under this Contract.

**3. Provider Payments.**

Contract does not include contracted service provider networks and Contractor will not be the payer of medical treatments or procedures rendered to the FFS Client.

**4. Method of Payment.**

- a. Payment for all work performed under this Contract shall be subject to the provisions of ORS 293.462 and shall not exceed the maximum not-to-exceed amount in Section 3. Consideration. The not-to-exceed amount is budgeted according to the following:

<b>Contract Not to Exceed Amount (NTE)</b>	<b>\$27,289,270.00</b>		
<b>Service</b>	<b>Unit Measure</b>	<b>Unit Rate</b>	<b>Not to Exceed</b>
1915(i) Evaluation/Reevaluation	1 Service	\$57.75	<b>\$7,729,663.00</b>
1915(i) Person Centered Plan Development	1 Service	\$107.25	

AFH- Medical Appropriateness Review	1 Service	\$110.00	
RTH/F- Medical Appropriateness Review	1 Service	\$115.00	
SRTF- Medical Appropriateness Review	1 Service	\$125.00	
Behavioral Health Prior Authorization by QMHP	1 Service	\$135.00	
Medical review/consult by MD	1 Service	\$650.00	
Treatment Episode Monitoring AFH/RTH/RTF	1 Service	\$90.00	
Treatment Episode Monitoring SRTF	1 Service	\$115.00	
Concurrent Review – Inpatient Hospital	1 Service	\$605.00	
Monthly Residential Census and report	1 Service	\$2,000.00	
OSH Conflict Free case management	1 hour	\$96.00	
FFS Conflict Free case management	1 hour	\$96.00	
Nurse Triage and Advice Line	1 Month	\$29,320.00	\$1,055,520.00
Care Coordination services	1 per member per month	\$3.90	\$16,848,000.00
Prior evaluation/Authorization services	1 Month	\$47,250	\$992,250.00
<b><u>Claim Reevaluation services for CAWEM claims</u></b>	<b><u>1 Service</u></b>	<b><u>\$50.00</u></b>	



Optional Pay for Performance			Not to Exceed \$663,837.00
Area	Target	Incentive	Not to Exceed
OHA Shall award contractor a one time performance payment for each patient assisted to discharge from the Oregon State Hospital when the performance target is met.	Discharge less than 30 days from determination of ready to transition	\$500.00 per patient per discharge	\$5000.00 per month
	Discharge less than 25 days from determination of ready to transition (RTT)	\$700.00 per patient per discharge	\$7000 per month
	Discharge less than 20 days from determination of ready to transition (RTT)	\$800.00 per patient per discharge	\$8000 per month
	Discharge less than 15 days from determination of ready to transition (RTT)	\$1000.00 per patient per discharge	\$10000 per month
Secure Residential Treatment (SRTF) Utilization	Maintain 180 day average length of stay for members in SRTF	\$1000 per member assisted to discharge to a lower level of care from an SRTF	\$10,000 per month
*The one time pay for performance will account for Recipient maintaining a successful lower level (least restrictive placement) for 180 days. If a Recipient returns to RTT within 180 days of initial placement by Contractor, Contractor will not be eligible to receive an additional performance payment for that Recipient if the Recipient returns to the Oregon State Hospital within 180 days of step down.			

##### 5. Budget Neutrality.

Contractor must demonstrate that the Program is at least budget neutral, in that the Program will save enough money in health care costs to pay for itself. All rates paid for services will be evaluated by OHA and DHS-APD and are subject to evaluation of cost-effectiveness by the Centers for Medicare Services (CMS). Contractor must work to reduce overall Program expenditures. OHA will continue to pay all medical claims for services provided to Clients and will track utilization of services prior to Contractor's Program implementation and on a quarterly basis, according to CMS rules under waived programs. Contractor and OHA will develop a mutually acceptable budget

neutrality methodology document to detail the process, timetable, exclusions, and other parameters of the budget neutrality calculation. The Contractor will not assume financial risk for budget neutrality.

**6. Liability for Payment.**

Contractor understands and agrees that under no circumstances will a Client be held liable for any payments for any of the following:

- a. Contractor's or Subcontractor's debt due to Contractor's or Subcontractor's insolvency;
- b. Healthcare services authorized or required to be provided under this Contract to the Client, for which:
  - (1) OHA does not pay the Contractor; or
  - (2) Contractor does not pay a provider or Subcontractor that furnishes the services under a contractual, referral, or other arrangement; or
  - (3) Payments for covered services furnished under a contract, referral or other arrangement with Subcontractors, to the extent that those payments are in excess of the amount that the Client would owe if the Contractor provided the services directly.

Nothing in this Section limits Contractor, OHA, a provider or Subcontractor from pursuing other legal remedies that will not result in the Client's personal liability for such payments.

**7. Risk of Insolvency.**

- a. Contractor assures that it is able to perform the Work required under this Contract efficiently, effectively and economically and is able to comply with the requirements of this Contract. As part of the proof of financial responsibility, Contractor shall provide assurances satisfactory to OHA, that Contractor's provision(s) against the risk of insolvency are adequate to ensure that Clients will not be liable for Contractor's debts if Contractor becomes insolvent.
- b. Contractor shall provide solvency protection through maintenance of a restricted reserve account, or other means approved by OHA.
  - (1) Funds held in the restricted reserves, if any, shall be made available to OHA for the purpose of making payments to providers in the event of Contractor's insolvency. Insolvency occurs when Contractor is unable to pay debts when due, even if assets exceed liabilities.
  - (2) If any of the information that forms the basis for determining the manner or amount of a restricted reserve account is eliminated, changed, or modified in any manner, Contractor shall immediately notify OHA.
  - (3) Failure to maintain adequate financial solvency, including solvency protections specified pursuant to the requirements of this Contract, shall be grounds for termination, reduction in service area or enrollment, or sanction under this Contract, at OHA's sole discretion.

- c. Contractor shall have procedures and policies to assure that Clients will not be liable for any debts or payment of claims in the event a Subcontractor becomes insolvent. All Subcontracts will include a clause that the Subcontractor will look only to the Contractor, and under no circumstances to the Client, for full payment of claims, and shall further require that this clause survives the termination of this Contract or Subcontract, including breach of Contract or Subcontract due to insolvency.
- d. In the event that insolvency occurs, Contractor remains responsible for providing covered services for Clients through the end of the period for which it has been paid.